



## STAFF REPORT

Meeting Date: February 17, 2015

Agenda Item #: II.b.

TO: Mayor and Town Council

FROM: Bonnie Schwerd, Finance Director

THRU: Susan Parker, Town Administrator

TITLE: Capital Improvement Plan

ATTACH: Proposed Capital Improvement Plan Policy

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**Summary:** In conjunction with the Town Administrator and all department heads, I have been working to develop a Capital Improvement Plan for use as a budgetary and financial forecasting tool. In order to help set parameters for the process, a proposed policy is attached for Town Council consideration.

**Discussion:** The proposed policy provides guidelines describing the items that should be included in the Capital Improvement Plan as opposed to those items that should be included in the Town's operating budget requests. It includes the information that should be included with each request and provides information about the types of financing that may be used to fund various projects. As a note, the inclusion of the various methods of debt do not mean that staff is suggesting the utilization of any particular ones of these methods, but instead addresses the different options available to municipalities in North Carolina.

**Fiscal/Policy Implication(s):** Since the Capital Improvement Plan Policy addresses a longer-term financial planning function, it is the staff recommendation that Council adopt it separate from the Fiscal Policy.

**Legal Implication(s):** None anticipated.

**Recommendation:** Staff recommends the approval of the attached Capital Improvement Plan Policy.